

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0727-01
Bill No.: HB 283
Subject: Vital Statistics; Health Department; Funerals and Funeral Directors
Type: Original
Date: February 2, 2015

Bill Summary: This proposal requires the Department of Health and Senior Services to develop and maintain an electronic death registration system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(Up to \$297,160)	(Up to \$204,960)	(Up to \$204,960)
Total Estimated Net Effect on General Revenue	(Up to \$297,160)	(Up to \$204,960)	(Up to \$204,960)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Children's Trust	(Up to \$213,500)	(Up to \$256,200)	(Up to \$256,200)
Endowed Care Cemetery	(Up to \$42,700)	(Up to \$51,240)	(Up to \$51,240)
MO Public Health Services	(Up to \$42,273)	(Up to \$50,728)	(Up to \$50,728)
Total Estimated Net Effect on <u>Other</u> State Funds	(Up to \$298,473)	(Up to \$358,168)	(Up to \$358,168)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	(Up to \$1,877,092)	(Up to \$2,252,510)	(Up to \$2,252,510)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** provide the following assumptions:

§193.145.5 - Automatic notification to physician

Section 193.145.5 requires the electronic death registration system to automatically notify the physician in charge of the patient's care for the illness or condition which resulted in death using an electronic notification. This would require an enhancement to the existing electronic system to accommodate this notification. DHSS defers to the OA-ITSD to estimate the fiscal impact for information technology related costs for this proposed legislation.

§193.145.11 - Provisional death certificates

Section 193.145.11 allows for the issuance of a provisional death certificate if a certificate of death is not filed within five business days after death. The electronic death registration system would require changes to integrate a provisional certificate format and process into the electronic death registration system and to give local registrars access to the electronic system.

DHSS estimates that the proposed legislation could result in a decrease of up to \$563,128 of revenue for the state by allowing a completed certificate of death to be obtained at no charge if a provisional certificate has been requested and issued. Section 193.265, RSMo sets the fee for a certified copy of a death record at \$13 for the first copy and \$10 for each additional copy requested at the same time. The state funds affected include the Children's Trust Fund, which receives \$5 per certificate and could have a reduction of \$256,200; the General Revenue Fund which receives \$4 per certificate and could have a reduction of \$204,960; the Endowed Care Cemetery Audit Fund which receives \$1 per certificate and could have a reduction of \$51,240; and the Missouri Public Health Services Fund (MOPHS) which receives \$3 for the first copy of a certificate and could have a reduction of \$50,728.

Individuals may also obtain a certified copy of a death certificate at a local public health department. The cost is still the same provided above; however, the revenue generated is retained by the local health agency for local public health purposes. This revenue is not considered state revenue. DHSS estimates that the local public health agencies (LPHAs) could see a reduction in revenue of up to \$2,252,510 without authority to charge for the provisional death certificate and allowing persons to come back and obtain a copy of the completed certificate at no charge.

ASSUMPTION (continued)

In 2013, approximately 366,000 copies of certified death certificates were issued. Local registrars issued approximately 306,000 and the state office issued approximately 60,000 copies. Approximately 70 percent or 256,200 (366,000 X 70 percent) copies of these death records were filed five days after the date of death and would be potential for provisional copies; and, of those, approximately 80 percent or 204,960 (256,200 X 80 percent) copies were issued by local registrars.

		\$13	\$10
		(33 percent)	(67 percent)
204,960	Certificates issued by LPHA	67,637	137,323
<u>51,240</u>	<u>Certificates issued by State</u>	<u>16,909</u>	<u>34,331</u>
256,200	Total	84,546	171,654

	<u>\$13</u>	<u>\$10</u>	<u>Total</u>
Income to LPHA	\$879,278	\$1,373,232	\$2,252,510
Income to state	\$219,820	\$343,308	<u>\$563,128</u>
			\$2,815,638

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DHSS** state sections 193.115.1, 193.145.5 and 193.145.11 will require changes to MoEVR, a vendor supported application hosted in the State Data Center. The vendor services costs have been estimated based on previous information from the vendor and comparison of costs for like-sized enhancements with the vendor. Since ITSD resources are at full capacity, contracted vendor services will be required for this project. It is estimated that IT consultants will require approximately 1,685 hours at \$75 per hour, or \$126,360, to complete this project. All costs are one-time costs that will be incurred in FY 2016.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Office of State Courts Administrator, Mississippi County, St. Louis County**, the **Columbia/Boone County Department of Public Health and Human Services**, the **Harrison County Public Health Department & Hospice** and the **City of Independence Health Department** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Lincoln County Coroner's Office** responded to **Oversight's** fiscal note request but did not provide a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE FUND			
<u>Costs - DHSS</u>			
IT contract costs	(\$126,360)	\$0	\$0
<u>Loss - DHSS</u>			
Reduction in death certificate fee revenue	(Up to \$170,800)	(Up to \$204,960)	(Up to \$204,960)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(Up to \$297,160)	(Up to \$204,960)	(Up to \$204,960)
CHILDREN'S TRUST FUND			
<u>Loss - DHSS</u>			
Reduction in death certificate fee revenue	(Up to \$213,500)	(Up to \$256,200)	(Up to \$256,200)
ESTIMATED NET EFFECT ON THE CHILDREN'S TRUST FUND	(Up to \$213,500)	(Up to \$256,200)	(Up to \$256,200)
ENDOWED CEMETERY FUND			
<u>Loss - DHSS</u>			
Reduction in death certificate fee revenue	(Up to \$42,700)	(Up to \$51,240)	(Up to \$51,240)
ESTIMATED NET EFFECT ON THE ENDOWED CEMETERY FUND	(Up to \$42,700)	(Up to \$51,240)	(Up to \$51,240)

FISCAL IMPACT - State Government

FY 2016
(10 Mo.)

FY 2017

FY 2018

**MO PUBLIC HEALTH SERVICES
FUND**

Loss - DHSS

Reduction in death certificate fee
revenue

(Up to \$42,273) (Up to \$50,728) (Up to \$50,728)

**ESTIMATED NET EFFECT ON THE
MO PUBLIC HEALTH SERVICES
FUND**

(Up to \$42,273) (Up to \$50,728) (Up to \$50,728)

FISCAL IMPACT - Local Government

FY 2016
(10 Mo.)

FY 2017

FY 2018

**LOCAL PUBLIC HEALTH
AGENCIES**

Loss - LPHAs

Reduction in death certificate fee
revenue

(Up to
\$1,877,092)

(Up to
\$2,252,510)

(Up to
\$2,252,510)

**ESTIMATED NET EFFECT ON
LOCAL PUBLIC HEALTH
AGENCIES**

(Up to
\$1,877,092)

(Up to
\$2,252,510)

(Up to
\$2,252,510)

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal changes the laws regarding the electronic death registration system.

Currently, a certificate of death for each death that occurs in Missouri must be filed with the local registrar or as directed by the State Registrar within five days after the death. The proposal changes the time frame to within five business days.

FISCAL DESCRIPTION (continued)

Currently, if a person or entity that certifies the cause of death is not a part of or does not use the electronic death registration system, the funeral director or other person acting as such may enter the decedent's personal data in the electronic system and then complete the filing by presenting the signed cause of death certification to the local registrar. The proposal repeals these provisions.

By September 1, 2016, the Department of Health and Senior Services must develop an electronic death registration system. The electronic death registration system must utilize a secure login for data providers, but must not require data providers to change their authentication data including, but not limited to their user identification or password more than once annually and must provide a secure mechanism for data providers to regain access to the system via a "forgot password" function in the event the providers are unable to recall their authentication data.

The funeral director must enter the personal data as required under these provisions into the electronic system within one business day of receipt of the information. Upon entry and completion of the personal data in the system, the system must automatically notify the physician in charge of the patient's care for the illness or condition which resulted in death using an electronic notification as determined by the department.

Currently, the medical certification must be completed, attested to its accuracy either by signature or an electronic process approved by the department, and returned to the funeral director or person in charge of final disposition within 72 hours after death. The proposal repeals the provisions permitting attestation by signature and increases the time to return the document to the funeral director to within three business days of the electronic notification by the physician in charge of the patient's care for the illness or condition which resulted in death.

If the physician is unable to complete the medical certification due to exigent circumstances including an immediate or long-term absence or illness, the physician must complete the medical certification as soon as practicable or, in the absence of the physician or with the physician's approval, the certificate may be completed and attested to its accuracy by the approved electronic process by the physician's associate physician, the chief medical officer of the institution in which death occurred, an individual to whom the physician has delegated authority to complete the certificate, or the physician who performed an autopsy upon the decedent provided the individual has access to the medical history of the case, views the deceased at or after death, and death is due to natural causes.

The proposal repeals the provision allowing the State Registrar to approve alternate methods of obtaining and processing the medical certification and filing the death certificate.

FISCAL DESCRIPTION (continued)

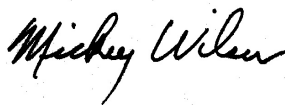
Any physician, nurse practitioner, physician assistant, or other medical professional who in good faith completes a medical certification of death or determines the cause of death must be immune from civil liability only for the certificate completion or determination of cause of death, absent gross negligence or willful misconduct.

If determination of the cause of death is prolonged because further testing is necessary or other exigent circumstances, the certificate of death must be completed within six months after death. If a certificate of death is not filed with the local registrar or State Registrar within five business days after death, the State Registrar must upon request issue a provisional certificate of death. Upon filing of the certificate of death with the local registrar or State Registrar, the State Registrar must issue a certificate of death. After the certificate of death has been completed, any person who has obtained a provisional certificate of death may obtain a copy of the completed certificate of death at no charge.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Office of Administration -
 Information Technology Services Division
Office of State Courts Administrator
Mississippi County
St. Louis County
Lincoln County Coroner
Columbia/Boone County Department of
 Public Health and Human Services
Harrison County Public Health Department & Hospice
City of Independence Health Department



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